

UNITED STATES COURT OF APPEALS
FOR DISTRICT OF COLUMBIA CIRCUIT

JUN 19 2015

IN THE UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

RECEIVED

PHH CORPORATION, PHH MORTGAGE
CORPORATION, PHH HOME LOANS, LLC,
ATRIUM INSURANCE CORPORATION, AND
ATRIUM REINSURANCE CORPORATION,

Petitioners,

v.

CONSUMER FINANCIAL PROTECTION
BUREAU,

Respondent.

Case No. 15-1177

PETITION FOR REVIEW

Pursuant to 5 U.S.C. § 706, 12 U.S.C. § 5563(b)(4), and Federal Rule of Appellate Procedure 15(a), PHH Corporation, PHH Mortgage Corporation, PHH Home Loans, LLC, Atrium Insurance Corporation, and Atrium Reinsurance Corporation (collectively “PHH”) hereby petition this Court for review of the final decision and order of the Consumer Financial Protection Bureau (“CFPB”), captioned *In the Matter of PHH Corporation, et al.*, Decision of the Director, Docket No. 2014-CFPB-0002, Dkt. 226 (June 4, 2015) (“Decision”), and Final Order, Docket No. 2014-CFPB-0002, Dkt. 227 (June 4, 2015) (“Order”). The CFPB issued both a redacted “public” version of the Decision and an unredacted version. PHH attaches the redacted version of the Decision as Exhibit A to this

petition, and is concurrently filing the unredacted version of the Order under seal.

PHH attaches the Order as Exhibit B to this petition.

Venue is proper in this Court pursuant to 12 U.S.C. § 5563(b)(4).

This action arises from an administrative enforcement and cease-and-desist proceeding pursuant to Section 5563 filed against PHH by the Enforcement Counsel of the CFPB on January 29, 2014, alleging violations of Sections 8(a) and 8(b) of the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. § 2601 *et seq.* (“RESPA”). Decision at 7. Following a hearing before an Administrative Law Judge and an appeal to CFPB Director Richard Cordray, the Director held that PHH violated Section 8(a) of RESPA every time it accepted a reinsurance premium from a mortgage insurer on or after July 21, 2008. Decision at 12-26.

As to sanctions, the Director ordered PHH to pay \$109,188,618 in disgorgement to the CFPB within 30 days. Order at V. Further, he enjoined PHH “from violating Section 8” of RESPA, *id.* at I; enjoined PHH (and its successors, and assigns, and their officers, agents, representatives, and employees) from entering into any affiliated reinsurance agreement for the next 15 years, *id.* at II; enjoined PHH (and, again, its successors, and assigns, and their officers, agents, representatives, and employees) from “referring any borrower to any provider of a real estate settlement service if that provider has agreed to purchase or pay for any service” from PHH and “the provider’s purchase of or payment for that service is

triggered by those referrals,” *id.* at III; and required PHH (and its successors, and assigns, and their officers, agents, representatives, and employees) to “maintain records of all things of value that [PHH] receives or has received from any real estate settlement service provider to which [PHH] has referred borrowers since July 21, 2008, and for the next 15 years,” and to make these records available to the CFPB “upon request,” *id.* at IV.

PHH seeks review of the CFPB’s final agency action on the grounds that it is arbitrary, capricious, and an abuse of discretion within the meaning of the Administrative Procedure Act, 5 U.S.C. § 701 *et seq.*; violates federal law, including, but not limited to, the United States Constitution, RESPA, and the Consumer Financial Protection Act of 2010, as well as regulations promulgated under those statutes; and is otherwise contrary to law.

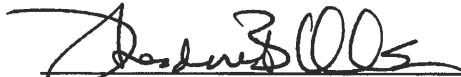
Accordingly, PHH respectfully requests that this Court hold unlawful, vacate, enjoin, terminate, and set aside the Decision and Order, and that it provide such additional relief as may be appropriate.

Dated: June 19, 2015

Respectfully submitted,

Mitchel H. Kider
David M. Souders
Sandra B. Vipond
Rosanne L. Rust
Michael S. Trabon
WEINER BRODSKY KIDER PC
1300 19th Street, N.W., Fifth Floor
Washington, D.C. 20036
(202) 628-2000

Thomas M. Hefferon
William M. Jay
GOODWIN PROCTER LLP
901 New York Avenue, N.W.
Washington, D.C. 20001
(202) 346-4000


Theodore B. Olson
Counsel of Record
Helgi C. Walker
Scott P. Martin
GIBSON, DUNN & CRUTCHER LLP
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036
(202) 955-8500

Counsel for Petitioners PHH Corporation, PHH Mortgage Corporation, PHH Loans, LLC, Atrium Insurance Corporation, and Atrium Reinsurance Corporation

UNITED STATES COURT OF APPEALS
FOR DISTRICT OF COLUMBIA CIRCUIT

JUN 19 2015
**IN THE UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT**

RECEIVED

PHH CORPORATION, PHH MORTGAGE
CORPORATION, PHH HOME LOANS, LLC,
ATRIUM INSURANCE CORPORATION, AND
ATRIUM REINSURANCE CORPORATION,

Petitioners,

v.

CONSUMER FINANCIAL PROTECTION
BUREAU,

Respondent.

Case No. 15-1177

CORPORATE DISCLOSURE STATEMENT

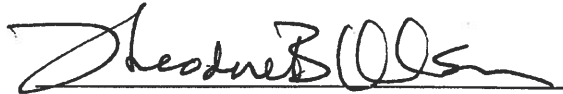
Pursuant to Federal Rule of Appellate Procedure 26.1 and this Court's Rule 26.1, Petitioners PHH Corporation, PHH Mortgage Corporation, PHH Home Loans, LLC, Atrium Insurance Corporation, and Atrium Reinsurance Corporation respectfully submit the following corporate disclosure statement.

Petitioner PHH Corporation is a publicly traded company (NYSE: PHH). It has no parent company and no publicly held corporation owns 10% or more of its stock. Petitioners Atrium Insurance Corporation, Atrium Reinsurance Corporation, and PHH Mortgage Corporation are wholly-owned subsidiaries of PHH Corporation, and no other company or publicly held corporation owns 10% or more of their stock. Petitioner PHH Home Loans, LLC, is owned in part by

subsidiaries of PHH Corporation and in part by affiliates of Realogy Holdings Corporation, a publicly traded company (NYSE: RLGY).

Dated: June 19, 2015

Respectfully submitted,



Theodore B. Olson
Counsel of Record

Helgi C. Walker

Scott P. Martin

GIBSON, DUNN & CRUTCHER LLP

1050 Connecticut Avenue, N.W.

Washington, D.C. 20036

(202) 955-8500

Mitchel H. Kider

David M. Souders

Sandra B. Vipond

Michael S. Trabon

WEINER BRODSKY KIDER PC

1300 19th Street, N.W., Fifth Floor

Washington, D.C. 20036

(202) 628-2000

Thomas M. Hefferon

William M. Jay

GOODWIN PROCTER LLP

901 New York Avenue, N.W.

Washington, D.C. 20001

(202) 346-4000

Counsel for Petitioners PHH Corporation, PHH Mortgage Corporation, PHH Loans, LLC, Atrium Insurance Corporation, and Atrium Reinsurance Corporation

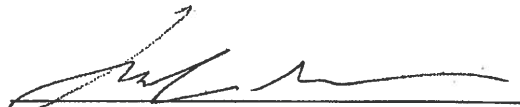
CERTIFICATE OF SERVICE

I hereby certify that on June 19, 2015, I caused one copy of the foregoing
Petition for Review to be served on the following counsel by the manner indicated:

*By First Class Mail and
Electronic Mail*

Richard Cordray
Director
Consumer Financial Protection
Bureau
1700 G Street, N.W.
Washington, D.C. 20552
Telephone: (202) 435-7357
Facsimile: (202) 435-7722

Donald R. Gordon
Kimberly J. Ravener
Navid Vazire
Thomas H. Kim
Enforcement Attorneys
Consumer Financial Protection
Bureau
1700 G Street, N.W.
Washington, D.C. 20552
Telephone: (202) 435-7357
Facsimile: (202) 435-7722
e-mail: donald.gordon@cfpb.gov



Jennifer A. Nelson
GIBSON, DUNN & CRUTCHER LLP
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036